



WISCONSIN LEGISLATURE

P. O. Box 7882 Madison, WI 53707-7882

May 28, 2004

Mr. Scott Hassett, Secretary
Department of Natural Resources
State Natural Resources Building (GEF 2)
101 South Webster Street
Madison, WI 53702

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OFFICE OF THE
SECRETARY

Dear Secretary Hassett:

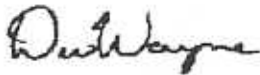
This letter follows up the requests by the Assembly Committee on Natural Resources and the Senate Committee on Environment and Natural Resources for modifications in Clearinghouse Rule 01-081, relating to the control of mercury emissions to address the atmospheric deposition of mercury. We ask the Department of Natural Resources (DNR) to make the following modifications to this rule:

1. ***Relation to federal mercury rules.*** Replace the reporting requirement in s. NR 446.12 (2), that directs the DNR staff to report to the Natural Resources Board on federal regulations or laws that provide for mercury emission reductions from sources affected by the rule, with a provision that establishes that stationary sources subject to an emissions limit for mercury established by federal regulation or law are exempt from the requirements of the rule. This change will also require modifications in other affected provisions in the rule, such as the exemption for new or modified stationary sources regulated under federal emissions limits in s. NR 446.05 (2).
2. ***80% emissions reduction.*** Remove the 80% mercury emission reduction requirement in s. NR 446.06 (3) and revise the evaluation reports in s. NR 446.12 (1), accordingly. We feel that removal of this requirement does not preclude a subsequent determination by the DNR that commercial mercury control equipment is available for affected power plants in Wisconsin to reach an 80% reduction standard and that such a standard is warranted in light of any federal actions on mercury controls.
3. ***Banking and trading of emissions reductions.*** Expand the trading of major utility emission reduction credits in s. NR 446.08 (2) to also apply to compliance with the cap in s. NR 446.06 (1) (a) and to allow major utilities to bank excess emission reduction credits.

4. *Small source emission reduction program.* Include in the rule a volunteer opportunity for all types of sources to provide emission reduction credits, such as in the version of the rule that went to hearing.

We are confident the incorporation of those modifications in the rule will result in a workable mercury reduction program that demonstrates Wisconsin's commitment to addressing the problems of mercury in the environment. Please feel free to contact us if you have questions on those requested modifications.

Sincerely,



Representative DuWayne Johnsrud
Assembly Natural Resources Chair
96th Assembly District



Senator Neal Kedzie
Senate Environment and Natural Resources Chair
11th Senate District

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